GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:238
ANSWERED ON:25.07.2000
MISUSE OF FUNDS
PON RADHAKRISHNAN

Will the Minister of HOME AFFAIRS be pleased to state:

(a) the number of NGOs receiving funds under FCRA for various projects or schemes;

(b) whether the funds are being misused by these associations; and

(c) if so, the remedial steps taken by the Union Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (CH. VIDYASAGAR RAO)

(a): 12,198 associations reported the receipt of foreign contribution in the year 1997-98. The details for the year 1998-99 are under compilation. The returns for the year 1999-2000 are not yet due.

(b): Reports are received from time to time that certain organisations who receive foreign funds are not properly utilising it for the stated purposes and objectives.

(c): Under the Foreign Contribution (Regulation) Act, 1976, associations which are covered under the Act are required to furnish intimation in regard to receipt and utilisation of foreign contribution by them, on yearly basis, duly certified by a Chartered Accountant, to the Ministry of Home Affairs. The monitoring of foreign contribution is done through the returns submitted by such associations. The Central Government is also empowered under the Act to order inspection of accounts or records or audit books of accounts of such associations. A copy of the Annual Report on `Receipt of foreign contribution by voluntary associations` is also sent to the State Governments for keeping a watch over organisations which may come to adverse notice.